

MINUTES

MONTANA SENATE 61st LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: Chairman Jeff Essmann, on February 11, 2009 at 8:00 P.M., in Room 405 Capitol.

ROLL CALL

Members Present:

Sen. Jeff Essmann, Chairman (R)
Sen. Taylor Brown, Vice Chairman (R)
Sen. Jerry W. Black (R)
Sen. Gary Branae (D)
Sen. Ron Erickson (D)
Sen. Kelly Gebhardt (R)
Sen. Kim Gillan (D)
Sen. Bradley Hamlett (D)
Sen. Christine Kaufmann (D)
Sen. Bob Story Jr. (R)
Sen. Bruce Tutvedt (R)

Members Excused: None.

Members Absent: None.

Staff Present: Lee Heiman, Legislative Branch
Debra Polhemus, Committee Secretary

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: SB 282, 1/24/2009; SB 264,
1/22/2009; SB 284, 1/24/2009

Executive Action: SB 280 DO PASS; SB 277 TABLED
SB 244 DO PASS AS AMENDED
SB 36 TABLED
COMMITTEE BILL (FROM SB 211)

HEARING ON SB 282

Opening Statement by Sponsor:

00:00:42 Sen. Jesse Laslovich (D), SD 43, opened the hearing on SB 282, Increase threshold at which certain retirement income is exempt from income tax.

Proponents' Testimony:

00:04:10 Russell Wrigg, Vice President, Board, Association of Montana Retired Public Employees (AMRPE)

00:08:06 Marg Crennen, Volunteer Advocate, AARP of Montana
EXHIBIT (tas32a01)

00:09:02 Rep. Bill Nooney, HD 100

00:09:20 Gladys Hardin, Legislative Chair, National Active and Retired Federal Employees (NARFE)

EXHIBIT (tas32a02)

00:11:37 Jessie Luther, representing Association of Montana Troopers

00:12:04 Mary Whittinghill, Montana Taxpayers Association

Opponents' Testimony:

00:13:15 David Ewer, Budget Director, Office of the Governor

Informational Testimony: None

Questions from Committee Members and Responses:

00:18:30 Sen. Erickson

00:19:04 Sen. Laslovich

00:20:09 Sen. Brown

00:20:28 Sen. Laslovich

00:21:05 Sen. Brown

00:21:23 Sen. Laslovich

00:22:39 Sen. Kaufmann

00:23:03 David Ewer

00:24:09 Sen. Kaufmann

00:24:22 David Ewer

00:25:20 Sen. Story

00:25:53 Russell Wrigg, AMRPE

00:26:51 Sen. Story

00:26:59 Gladys Hardin, NARFE

00:27:38 Sen. Story

00:28:08 David Ewer

00:32:46 Sen. Black

00:33:28 Sen. Laslovich

00:33:57 Sen. Tutvedt

Questions from Committee Members and Responses: (Con't)

00:34:25 Mary Whittinghill

00:35:47 Sen. Hamlett

00:36:14 David Ewer

Closing by Sponsor:

00:37:55 Sen. Laslovich

HEARING ON SB 284

Opening Statement by Sponsor:

00:40:28 Sen. John Brueggeman (R), SD 6, opened the hearing on SB 284, Increase income phase-out cap for pension and annuity exclusion.

Proponents' Testimony:

00:44:35 Russell Wrigg, Vice President, Board, Association of Montana Retired Public Employees (AMRPE)

00:46:01 Marg Crennen, Volunteer Advocate, AARP Montana

EXHIBIT (tas32a03)

00:46:54 Gladys Hardin, Legislative Chair, National Active and Retired Federal Employees (NARFE)

00:48:37 Jessie Luther, representing Association of Montana Troopers

00:50:01 Mary Whittinghill, Montana Taxpayers Association

Opponents' Testimony: None

Informational Testimony:

00:51:45 David Ewer, Budget Director, Office of the Governor

Questions from Committee Members and Responses: None

Closing by Sponsor:

00:52:17 Sen. Brueggeman

HEARING ON SB 264

Opening Statement by Sponsor:

00:53:43 Sen. John Brueggeman (R), SD 6, opened the hearing on SB 264, Revise Montana facility finance authority.

Proponents' Testimony:

00:58:42 Rep. Bill Nooney, HD 100

00:59:18 Jon Marchi, speaking for Montana Ambassadors
(Legislative Chairman) and Glacier Venture Fund

EXHIBIT(tas32a04)

01:09:17 Liz Marchi, formerly Economic Development Director,
Flathead County now Fund Coordinator, Frontier Angel
Fund

01:11:40 Webb Brown, representing Montana Manufacturing Council
and Montana Chamber of Commerce

Opponents' Testimony:

01:12:13 David Ewer, Budget Director, Office of the Governor

EXHIBIT(tas32a05)

Informational Testimony: None

Questions from Committee Members and Responses:

01:22:32 Sen. Story

01:22:53 Jon Marchi

01:24:50 Sen. Story

01:24:56 Jon Marchi

01:26:16 Sen. Story

01:26:42 David Ewer

01:31:26 Chairman Essmann

01:33:00 Jon Marchi

01:34:16 Chairman Essmann

01:34:37 Sen. Story left the hearing.

01:35:37 Sen. Brueggeman

EXHIBIT(tas32a06)

01:37:22 Sen. Gillan

01:37:56 David Ewer

01:40:35 Sen. Tutvedt

01:41:06 Sen. Brueggeman

Closing by Sponsor:

01:41:54 Sen. Brueggeman

01:48:14 Recess

01:59:22 Reconvene

EXECUTIVE ACTION ON THE FORMATION OF A COMMITTEE BILL

(BASED ON SB 211)

01:59:59 **Motion:** Sen. Gillan moved to form a Committee Bill from SB 211.

Discussion:

02:00:52 Sen. Tutvedt

02:01:40 Sen. Brown

02:02:25 Sen. Gillan

02:04:01 Sen. Tutvedt

02:04:21 Chairman Essmann

02:05:50 Sen. Black

02:06:15 Sen. Erickson

02:07:31 Sen. Brown

02:07:53 **Vote:** Motion carried 9-2 by voice vote with Sens. Gebhardt and Hamlett voting no and Sen. Story voting by proxy.

EXECUTIVE ACTION ON SB 280

02:10:32 **Motion:** Sen. Gebhardt moved that **SB 280 DO PASS.**

02:10:43 **Motion:** Sen. Gebhardt moved that **SB 280 BE AMENDED.**
EXHIBIT(tas32a07)

02:11:29 **Vote:** Motion carried unanimously by voice vote with Sen. Story voting by proxy.

02:11:59 **Motion:** Sen. Gebhardt moved that **SB 280 DO PASS AS AMENDED.**

Discussion:

02:12:04 Sen. Gebhardt
 02:13:04 Chairman Essmann
 02:13:14 Sen. Gebhardt
 02:13:41 Sen. Kaufmann
 02:13:58 Sen. Gebhardt
 02:14:16 Chairman Essmann
 02:15:08 Sen. Tutvedt

02:15:28 **Vote:** Motion carried unanimously by voice vote with Sen. Story voting by proxy.

EXECUTIVE ACTION ON SB 277

02:16:02 **Motion:** Sen. Kaufmann moved that **SB 277 DO PASS.**

Discussion:

02:16:10 Sen. Kaufmann
 02:18:47 Sen. Erickson
 02:20:25 Sen. Black
 02:22:13 Sen. Gebhardt

02:22:44 **Substitute Motion/Vote:** Sen. Gebhardt made a substitute motion that **SB 277 BE TABLED.** Substitute motion carried 8-3 by roll call vote with Sens. Erickson, Hamlett, and Kaufmann voting no and Sen. Story voting by proxy.

EXECUTIVE ACTION ON SB 244

02:24:32 **Motion:** Sen. Tutvedt moved that **SB 244 DO PASS.**

02:24:41 **Motion/Vote:** Sen. Tutvedt moved that **SB 244 BE AMENDED.** Motion carried unanimously by voice vote with Sen. Story voting by proxy.

EXHIBIT (tas32a08)

02:25:25 **Motion:** Sen. Tutvedt moved that **SB 244 DO PASS AS AMENDED.**

Discussion:

02:25:35 Sen. Tutvedt
02:26:27 Sen. Erickson
02:27:29 Sen. Gillan
02:27:57 Holly Franz, representing Montana Society of CPAs
02:28:56 Sen. Brown
02:29:29 Sen. Kaufmann
02:30:03 Chairman Essmann

02:31:05 **Vote:** Motion carried 10-1 by roll call vote with Sen. Erickson voting no and Sen. Story voting by proxy.

EXECUTIVE ACTION ON SB 36

02:32:13 **Motion:** Sen. Erickson moved that **SB 36 DO PASS.**

Discussion:

02:32:23 Sen. Erickson

02:33:06 **Motion/Vote:** Sen. Erickson moved that **SB 36 BE AMENDED.** Motion carried unanimously by voice vote with Sen. Story voting by proxy.

EXHIBIT (tas32a09)

02:34:34 **Motion:** Sen. Erickson moved that **SB 36 DO PASS AS AMENDED.**

Discussion:

02:34:47 Sen. Erickson

02:37:22 **Vote:** Motion failed 5-6 by roll call vote with Sens. Branae, Erickson, Gillan, Hamlett, and Kaufmann voting aye and Sen. Story voting by proxy.

02:38:07 Without objection from the committee, Sen. Gebhardt requested that the vote be reversed and the bill tabled.

ADJOURNMENT

Adjournment: 10:45 A.M.

Debra Polhemus, Secretary

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Additional Documents:

EXHIBIT ([tas32aad.pdf](#))